

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Appellants: OPPERMAN et al.

Application Serial No.: 10/780,313

Filing Date: February 17, 2004

For: METHODS AND APPARATUS FOR
FACILITATING FINANCIAL
INSTRUMENT TRADING ORDERS

) Confirmation No.: 1068

) Group Art Unit: 3692

) Examiner: Hatem M. Ali

) **APPEAL BRIEF**

) Attorney Docket No.: G08.072/U

) **PTO Customer Number 28062**
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Sir:

Appellants hereby appeal to the Board of Patent Appeals and Interferences from the decision of the Examiner in the Final Office Action mailed March 18, 2008 (the "Final Office Action"), rejecting claims 20-23.

REAL PARTY IN INTEREST

The present application is assigned to GOLDMAN SACHS & CO., One New York Plaza, New York, New York 10004, U.S.A.

RELATED APPEALS AND INTERFERENCES

No other appeals or interferences are known to Appellants, Appellants' legal representative, or assignee, which will directly affect, be directly affected by, or have a bearing on the Board's decision in the pending appeal.

STATUS OF CLAIMS

Claims 20-23 are pending in this application. All pending claims stand rejected and are now being appealed.

Claims 1-19 and 24-37 have previously been canceled.

STATUS OF AMENDMENTS

No amendments were filed after the Final Office Action.

SUMMARY OF CLAIMED SUBJECT MATTER

With the recent proliferation in securities trading market places, variations have arisen in the types of orders supported by different market places. (Specification, page 2, lines 8-13) To guide the user through the increasingly complex process of entering a trading order, the securities trading system disclosed in this application presents user interface menus that are context sensitive. (Specification, page 5, lines 6-12) In aspects that are pertinent to the claims on appeal, the user interface menus that are context sensitive include order type menus and order destination menus. (Specification, page 20, lines 6-24; and page 19, lines 7-19)

An order type menu allows the user to select the type of the order that the user is defining. (Specification, page 21, lines 9-12 and 19-22) The most familiar order types are a market order and a limit order, but there are many other order types that are supported by various order destinations, and different order destinations support different sets of order types. (Specification, page 21, lines 1-7)

According to an aspect of the invention, the alternatives displayed in an order type menu depend on what order destination the user has selected for the order. That is, if the user has selected a first order destination, then the user interface displays a first order type menu that includes first set of alternatives that correspond to the order types supported by the first order destination, whereas if the user has selected a second order destination that supports a different set of order types, then the user interface displays a second order type menu that includes a second set of alternatives that correspond to the order types supported by the second order destination. (Specification, page 20, lines 12-24) In this way the user interface guides the user through the possible choices suitable for the various order destinations, and relieves the user from having to memorize what choices are supported by the various order destinations. (Specification, page 22, line 25 to page 23, line 5)

An order destination menu allows the user to select the order destination to which the order is to be sent. (Specification, page 19, line 24 to page 20, line 2; and page 21, lines 19-22). The term “order destination” refers to a securities exchange, a market maker, an ECN (Electronic Communication Network) or other trading market place. (Specification, page 3, lines 18-20; and page 1, line 24 to page 2, line 1)

According to another aspect of the invention, the alternatives displayed in an order destination menu depend on what financial instrument trading symbol the user has selected, where the financial instrument trading symbol represents the financial instrument that the order is for. That is, if the user has selected one financial instrument trading symbol, then the user interface displays a first order destination menu that includes alternatives that correspond to the order destinations that support trading in the financial instrument indicated by the financial instrument trading symbol, whereas if the user has selected a different financial instrument trading symbol that is traded in a different group of order destinations, then the user interface displays a second order destination menu that includes alternatives that correspond to that different set of order destinations. (Specification, page 19, lines 6-19) Again, in this way, the

user interface guides the user through the possible choices suitable for the selected financial instrument trading symbol, and relieves the user from having to memorize what choices of order destination are available for each symbol. (Specification, page 22, line 25 to page 23, line 5)

* * * * *

Appellants will now map the limitations of the pending independent claims to the disclosure of this application.

* * * * *

Claim 20

“Displaying a first order type menu at times when a first order destination alternative is selected from an order destination menu”—specification, page 20, lines 12-15.

“The first order destination alternative representing a first order destination”—specification, page 11, line 29 to page 12, line 3; and page 20, lines 12-15.

“The first order type menu listing only order type alternatives that represent order types supported by the first order destination”—specification, page 20, lines 12-15; and page 12, lines 10-16.

“Displaying a second order type menu at times when a second order destination alternative is selected from the order destination menu”—specification, page 20, lines 16-24.

“The second order destination alternative representing a second order destination”—specification, page 11, line 29 to page 12, line 3; and page 20, line 18.

“The second order type menu listing only order type alternatives that represent order types supported by the second order destination”—specification, page 20, lines 21-24; and page 12, lines 10-16.

“The second order type menu being different from the first order type menu”—specification, page 20, lines 21-22.

“The first order destination and the second order destination are each selected from the group consisting of (a) a securities exchange, (b) a market maker, (c) an ECN, and (d) a trading market place”—specification, page 3, lines 18-20.

“Order type alternatives included in both said first and second order type menus include a market order type and a limit order type”—specification, page 21, lines 1-6.

Claim 21

“Displaying a first order destination menu at times when a first financial instrument trading symbol is displayed in an order input area of a user interface”—specification, page 19, lines 11-13.

“The first order destination menu listing only order destination alternatives that correspond to order destinations that support trading in a first financial instrument that corresponds to the first financial instrument trading symbol”—specification, page 19, lines 11-13; and page 11, line 29 to page 12, line 3.

“Displaying a second order destination menu at times when a second financial instrument trading symbol is displayed in the order input area”—specification, page 19, lines 13-19.

“The second order destination menu listing only order destination alternatives that correspond to order destinations that support trading in a second financial instrument that corresponds to the second financial instrument trading symbol”—specification, page 19, lines 16-19; and page 11, line 29 to page 12, line 3.

“The second order destination menu being different from the first order destination menu”—specification, page 19, lines 16-18.

“At least one of the order destination alternatives listed by the first order destination menu is different from each order destination alternative listed by the second order destination menu”—specification, page 11, line 26 to page 12, line 3.

“Each of the order destinations is selected from the group consisting of (a) a securities exchange, (b) a market maker, (c) an ECN, and (d) a trading market place”—specification, page 3, lines 18-20.

GROUND OF REJECTION TO BE REVIEWED ON APPEAL

Claims 20-23 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Himmelstein (U.S. patent publication 2002/0038278) in view of Russo (U.S. patent publication 2004/0068458).

ARGUMENT

I. Applicable Law

All of the issues in this appeal are related to rejections under 35 U.S.C. § 103(a). In these rejections, the Examiner found the claims at issue to be obvious in view of a proposed combination of references.

The recent Supreme Court decision in *KSR Int'l Co. v. Teleflex Inc.*¹ is now the leading case on the concept of obviousness. Quoting the statute, the Court observed that a patent may not be issued when

the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.²

The Court went on to note that “the combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results”.³

Addressing situations in which

the claimed subject matter may involve more than the simple substitution of one known element for another or the mere application of a known technique to a piece of prior art ready for the improvement ... [,]

the Court prescribed:

Often, it will be necessary for a court [or patent examiner] to look to interrelated teachings of multiple patents; the effects of demands known to the marketplace; and the background knowledge possessed by a person having ordinary skill in the art, all in order to determine whether there was some apparent reason to combine the known elements in the fashion claimed

¹ 127 S.Ct. 1729, 82 USPQ2d 1385 (2007)

² Slip opinion, at pp. 1-2.

³ Slip opinion, at p. 12.

... [I]t can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does. This is so because inventions in most, if not all, instances rely upon building blocks long since uncovered, and claimed discoveries almost of necessity will be combinations of what, in some sense, is already known.⁴

A *prima facie* finding of obviousness cannot properly be made unless all the limitations of the claimed invention are taught or suggested by the prior art. *In re Royka*, 490 F. 2d 981 (CCPA 1974).

II. Overview of Himmelstein and Russo references and differences relative to the claimed invention

Appellants will initially now compare the references applied by the Examiner with the claimed invention in broad conceptual terms, to provide a general background for the more detailed discussion which is to follow.

Himmelstein is directed to a computerized barter system, in which the items to be bartered are predominantly securities.⁵ In its aspects that the appellants believe to be most nearly pertinent to the present invention, Himmelstein discloses—in FIGS. 5A-5F and FIG. 6—user interface screen displays to be presented to a user of Himmelstein’s system. For example, FIGS. 5B and 6 appear to be akin to order definition screens in a conventional trading system. FIG. 5A in Himmelstein shows various pull down menus⁶ that the user may employ to select for bartering a particular security from among securities that are currently in the user’s portfolio.⁷

As far as appellants can determine, Himmelstein fails to disclose either order type menus or order destination menus as recited in the claims at issue herein.

⁴ Slip opinion, at pp. 14-15.

⁵ Paragraph 0007 of Himmelstein.

⁶ Items 503 and 507 in FIG. 5A.

⁷ See also paragraphs 0051 and 0052 in Himmelstein.

The Russo reference is a lengthy document apparently prepared by the inventor himself, or by another amateur in the field of patent practice.⁸ Russo is concerned with a pocket-sized electronic device that, Russo boasts, puts the “stock market in your pocket”.⁹ This reference describes functions of the device that allow for selecting, trading or monitoring any one of a large number of securities.¹⁰ The most relevant specific functions disclosed in the Russo reference appear to be selecting a symbol that represents a particular security¹¹, and selecting between either a market order type or a limit order type¹². As best as appellants can determine from Russo’s long, repetitive and confusing disclosure, his teachings do not recognize the possibility of selecting among a plurality of markets that support trading in the same security, and *a fortiori* the reference lacks disclosure of any order destination menu as recited in the claims now being appealed.

Moreover, the Russo reference does not explicitly show even one order type menu, but it appears that the Examiner considers Russo’s vague disclosure of selecting between a market order type and a limit order type as being equivalent to providing an order type menu. Since the reference seems to discuss only those two order types, it does not appear to teach the two different order type menus called for by claim 20.

More fundamentally, neither of the two references appears to have any pertinence to the general subject of the appealed claims, which is a user interface that presents an order type menu or an order destination menu in a context sensitive manner. That is, none of the references has anything to do with presenting different order type menus, depending on what order destination the user has selected; or with presenting different order destination menus, depending on what trading symbol the user has selected.

With the foregoing discussion as background, appellants will now turn to specifically distinguishing the claims at issue from the prior art relied upon by the Examiner.

⁸ For example, this Honorable Board is respectfully referred to claim 1 on page 27 of the reference; that claim clearly departs from the typical standards of any professional patent practitioners.

⁹ See Russo’s Abstract.

¹⁰ Russo, paragraph 0003, lines 21-45.

¹¹ Russo, paragraphs 140, 157, 159, 227, for example.

¹² Russo, paragraphs 233 and 235.

III. Claim 20 is patentable over the asserted combination of Himmelstein and Russo

A. Lack of clarity in Examiner's statement of the rejection.

One difficulty that appellants face in addressing the rejection of claim 20 is that the Examiner's explanation of the rejection is unclear in a number of respects. In general, it is quite difficult to discern how the Examiner reads the language of claim 20 on the disclosure of the references.

One problem is that the Examiner has mainly reproduced the claim limitations in a string, and then cited portions of the references in a string, without attempted to match the cited portions of the references with the claim limitations that are allegedly disclosed in the cited portions of the references.

Another problem is that it is not clear which portions of the claim limitations the Examiner considers to be disclosed in Himmelstein, or how the Examiner proposes to modify Himmelstein's system by reference to Russo's teachings.

For example, in a passage that encompasses the last two paragraphs of page 2 and the first two paragraphs of page 3 of the Final Office Action, the Examiner appears to assert that Himmelstein discloses all of the limitations of claim 20. And yet, in the last paragraph of page 3 of the Final Office Action, the Examiner seems to contradict himself, apparently conceding that Himmelstein fails to disclose several limitations of claim 20.

Trying to view the Examiner's explanation of the rejection from a high level, it appears that he intended to state that Himmelstein discloses all of the limitations of claim 20 as originally presented, and that the limitations added in the Response filed herein in January, 2008 can be supplied by the Russo reference. However, the waters are considerably muddled by the Examiner's remarks in the Advisory Action¹³, in which he appears to rely on Russo rather than Himmelstein for some of the central features of claim 20—such as order type menus and selection of order destination—seemingly attributed to Himmelstein in the actual statement of the Examiner's rejection.

¹³ Issued June 5, 2008.

Nevertheless, appellants will attempt to address the Examiner's contentions as best understood, and considering the most relevant features of the references cited by the Examiner.

B. The basic concept of claim 20 is not taught or suggested by the Himmelstein or Russo references, taken alone or in combination.

(1) The essence of claim 20 is found in two limitations, taken together. These limitations call for "displaying a first order type menu" when a first order destination is selected, and "displaying a [different] order type menu" when a second order destination is selected. These two limitations implement the above-mentioned general inventive concept of context sensitivity for order type menus. In appellants' view, the other limitations are ancillary or clarifying as to these two limitations. It is also appellants' view that the teachings of the Himmelstein and Russo references have little bearing on the claimed combination of these two process steps.

(2) One main reason that Himmelstein is irrelevant to the essence of claim 20 is that Himmelstein is concerned with a "closed" system, in which there is only a single "order destination", namely the barter website 106.¹⁴ Since Himmelstein lacks any discussion of selecting among order destinations, it clearly also lacks any teaching or suggestion that presentation of an order type menu is to be changed according to the order destination selected.

A further major deficiency of Himmelstein is that it also does not appear to deal with the question of order type selection, and thus does not and cannot disclose even one of the two claimed order type menus. The Examiner has fastened onto the pull down menus 503¹⁵ and 507¹⁶ shown in FIG. 5A of Himmelstein, but the actual function of these menus provides no support for the Examiner's reliance on this portion of the reference. In fact, these pull down menus are provided to let the user select an item for bartering from the user's portfolio, and have nothing to do with selecting an order type.¹⁷

(3) The Russo reference does not come close to making up for these deficiencies in the Himmelstein reference. At the outset, appellants note that none of Russo's 108 drawing figures

¹⁴ Himmelstein, paragraphs 0026 and 0030.

¹⁵ See paragraph 1 of the "Continuation Sheet" of the Advisory Action.

¹⁶ See, for example, the fourth line from the bottom of page 2 of the Final Office Action.

¹⁷ Himmelstein, paragraphs 0051 and 0051.

shows two different order types displayed together¹⁸ so as to form what appellants would consider to be an “order type menu”. Still, the Examiner discusses¹⁹ Russo’s apparent function for selecting between limit and market orders, and appellants infer from this that he considers Russo at least inherently to include an order type menu. For the sake of argument, appellants will accept this point to be correct²⁰.

Nevertheless, even if Russo can be considered somehow to teach or suggest one order type menu, the reference discloses only two order types—limit and market—and it seems to appellants that the reference cannot in any way be considered to teach or suggest two different order type menus, as explicitly recited in claim 20. *A fortiori*, since Russo fails in any manner to disclose two order type menus, it manifestly also fails to disclose displaying one or the other of two order type menus, depending on what order destination has been selected.

Thus Russo, like Himmelstein, is completely irrelevant to the essence of claim 20, which as noted above concerns context sensitivity in the presentation of order type menus. At least for this reason, it is respectfully submitted that the Examiner has fallen far short of establishing a *prima facie* case of obviousness with respect to claim 20. Appellants strongly urge this Honorable Board to reverse the rejection of claim 20.

IV. Claims 21-23 are patentable over the asserted combination of Himmelstein and Russo

Claim 21 is taken as exemplary of claims 21-23²¹.

The technical flaws and uncleanness in the Examiner’s rejection of claim 20, as discussed hereinabove at section III.A. (page 9), are present in equal measure in his rejection of claim 21. But still more important, the substance of the Examiner’s rejection of claim 21 is as fundamentally lacking as was the case with respect to claim 20.

¹⁸ In Russo, FIGS. 68, 69, 76, 85, 89, 90, 91 refer to “LIMIT ORDER”, whereas FIG. 101 refers to “LIVE TRADES” which seems to be Russo’s term for a market order.

¹⁹ Advisory Action, Continuation Sheet, paragraph 1.

²⁰ Although appellants are unable to discern from Russo’s disclosure exactly how Russo implements the function of selecting between limit and market orders.

²¹ Claims 22 and 23 are dependent on claim 21 and are not argued separately.

Focusing on the essence of claim 21, there is the combination of “displaying a first order destination menu” when a first financial instrument trading symbol is displayed, and “displaying a [different] order destination menu” when a second financial instrument trading symbol is displayed. Once more, both references cited by the Examiner are essentially irrelevant to the subject matter of the claim.

While Himmelstein discusses selecting and displaying various trading symbols, Himmelstein’s system is closed, and contemplates only one order destination, which is his barter system. At no point does Himmelstein teach or suggest even one order destination menu, or even the function of selecting among order destinations. The pull down menus 503 and 507 shown in FIG. 5A in Himmelstein, and apparently relied upon by the Examiner, are for selecting items from the user’s portfolio, and are not concerned in any way, shape or form with selecting an order destination.

Since Himmelstein does not teach or suggest even one order destination menu, the reference clearly cannot be deemed to teach displaying different order destination menus, depending on what trading symbol is displayed.

As before, the Russo reference does not begin to compensate for the deficiencies of Himmelstein. Russo refers to trading or monitoring securities on the NYSE, NASDAQ and AMEX market places, but does not appear to address at all the possibility that a given security may trade in more than one market place, such that a user may need to select the order destination for a given security. Thus appellants believe it can fairly be said that Russo, like Himmelstein, lacks any teaching of even one order destination menu. But more fundamentally, Russo shows no awareness of any advantage to be gained or problem to be solved by displaying different order destination menus for different trading symbols. Appellants reiterate that neither reference in fact bears any significant relevance to the subject matter of claim 21.

Accordingly, appellants respectfully submit that the rejection of claim 21 should be reversed by this Honorable Board.

CONCLUSION

The rejection of the independent claims herein is improper at least because the subject matter of those claims is not taught or suggested by the prior art relied upon by the Examiner. The Examiner's decision should therefore be reversed.

As required by 37 CFR §41.37(a)(1), this Brief is filed within two months from the date of filing of Appellants' Notice of Appeal (*i.e.*, within two months of June 17, 2008); as such, no extension of time is believed due. Also, the requisite fee for filing an Appeal Brief is submitted herewith. However, if any additional fees are due in conjunction with this matter, the Commissioner is hereby authorized to charge them to Deposit Account 50-1852. An Appendix of claims involved in this appeal is attached hereto.

If any issues remain, or if the Examiner or the Board has any further suggestions for expediting allowance of the present application, kindly contact the undersigned using the information provided below.

Respectfully submitted,

August 11, 2008
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APPENDIX A—CLAIMS

1-19. (canceled)

20. A method comprising:

displaying a first order type menu at times when a first order destination alternative is selected from an order destination menu, the first order destination alternative representing a first order destination, the first order type menu listing only order type alternatives that represent order types supported by the first order destination; and

displaying a second order type menu at times when a second order destination alternative is selected from the order destination menu, the second order destination alternative representing a second order destination, the second order type menu listing only order type alternatives that represent order types supported by the second order destination, the second order type menu being different from the first order type menu;

wherein:

the first order destination and the second order destination are each selected from the group consisting of (a) a securities exchange, (b) a market maker, (c) an ECN, and (d) a trading market place; and

order type alternatives included in both said first and second order type menus include a market order type and a limit order type.

21. A method comprising:

displaying a first order destination menu at times when a first financial instrument trading symbol is displayed in an order input area of a user interface, the first order destination menu listing only order destination alternatives that correspond to order destinations that support trading in a first financial instrument that corresponds to the first financial instrument trading symbol; and

displaying a second order destination menu at times when a second financial instrument trading symbol is displayed in the order input area, the second order destination menu listing only order destination alternatives that correspond to order destinations that support trading in a second financial instrument that corresponds to the second financial instrument trading symbol, the second order destination menu being different from the first order destination menu;

wherein:

at least one of the order destination alternatives listed by the first order destination menu is different from each order destination alternative listed by the second order destination menu; and

each of the order destinations is selected from the group consisting of (a) a securities exchange, (b) a market maker, (c) an ECN, and (d) a trading market place.

22. A method according to claim 21, wherein:

the first financial instrument trading symbol represents a first common stock; and
the second financial instrument trading symbol represents a second common stock.

23. A method according to claim 21, wherein:

the first financial instrument trading symbol represents a common stock; and
the second financial instrument trading symbol represents an option.

24-37. (canceled)

APPENDIX B - EVIDENCE

No evidence is being submitted with this Appeal Brief (*i.e.*, this appendix is empty).

APPENDIX C - RELATED PROCEEDINGS

No prior or pending appeals, interferences, or judicial proceedings are known to Applicants, Applicants' legal representative, or assignee, which may be related to, directly affect, be directly affected by, or have a bearing on the Board's decision in the pending appeal. Therefore, there are no copies of decisions rendered by a court or the Board to attach (*i.e.*, this appendix is empty).